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Programme budget for the biennium 2000-2001

Review of the Information Systems Coordination Committee

Fourth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on review of the Information Systems Coordination Committee (A/55/619). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

2. The report of the Secretary-General was submitted pursuant to General Assembly resolution 54/249 of 23 December 1999, in which the Assembly endorsed the recommendation made by the Advisory Committee, in the context of its review of jointly financed activities in the proposed programme budget for the biennium 2000-2001, that the role and future of the Information Systems Coordination Committee be reviewed and that, pending the outcome of such a review, the appropriation of the United Nations share of the budget be withheld.[1] The Assembly also requested the Secretary-General to identify appropriate resources to finance the United Nations share of the cost of the Committee for the first year of the biennium 2000-2001, and to report thereon in the context of the first performance report. In this connection, the Advisory Committee notes that, in the first performance report, a provision of $517,600 ($260,000 for 2000 and $257,600 for the year 2001), equivalent to the United Nations share in the costs of the activities of the Information Systems Coordination Committee, is proposed under section 29, Jointly financed activities, of the programme budget for the biennium 2000-2001 (A/55/645, para. 43).

3. Upon enquiry, the Advisory Committee was informed that the Secretary-General had been unable to identify alternative sources of funding and that the Information Systems Coordination Committee had begun its work for the biennium 2000-2001 using available funds. As the United Nations share of the budget for the Committee amounts to approximately 35 per cent, the remaining 65 per cent provided by the agencies, funds and programmes was used for 2000, and the programme was modified to ensure payment of staff costs and implementation of priority projects. Upon request, the Advisory Committee was provided with additional information concerning the impact of the resolution of the General Assembly on the programme of work of the Committee (see annex, sect. II).

4. As indicated in paragraph 4 of the report of the Secretary-General, the Information Systems Coordination Committee was established in 1993 as part of a restructuring of the subsidiary machinery of the Administrative Committee on Coordination. The Committee is supported by a secretariat comprising one staff member at the D-1 level and one General Service (Other level) staff member. The mandate of the Committee at present includes provision of advice and medium-term and long-term strategic views to the Administrative Committee on Coordination; decision-making on specific areas of information and communications technology that may require system-wide standardization; development of proposals on practices and standards that might be adopted by the

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organizations of the United Nations system; provision of a forum for the exchange of information; and development and maintenance of an electronic repository for data on information systems.

5. The Advisory Committee notes, as indicated in paragraph 7 and section III of the report, that the request made by the General Assembly in its resolution 54/249 came at a time when the Administrative Committee on Coordination had decided to undertake a wide-ranging discussion of information technology. It also followed a decision of the Administrative Committee on Coordination to launch a further review of the functioning of the Administrative Committee on Coordination and the role and structure of its subsidiary machinery. The Secretary-General indicates in paragraph 7 of his report that an important part of that review, which is currently in progress, is focused on the challenges posed for the United Nations system by the developments in the field of information and communications technology, as well as the role and functions of the Information Systems Coordination Committee in that regard.

6. As a result of the review, the Administrative Committee on Coordination has established two high-level committees to strengthen coordination in the programme and management areas, respectively. The High-level Committee on Management will have as one of its main tasks the definition of the parameters of a strengthened coordination mechanism for information and communications technology. As indicated in paragraph 12, the Information Systems Coordination Committee will be called upon to support not only the activities of the coordination mechanism, but also those of the two high-level committees and the Administrative Committee on Coordination itself in all matters related to information and communications technology. **The Advisory Committee trusts that the Administrative Committee on Coordination will make maximum use of these committees it has established.**

7. Section IV of the report of the Secretary-General describes the nature of the cooperation between the United Nations Secretariat and the Information Systems Coordination Committee. In particular, the Committee and the Information Technology Services Division have been sharing information on several issues of common interest, such as the security of information technology, Internet policies, privacy protection, private automatic branch exchange technologies, personnel issues, information technology policies and enterprise resource planning systems. Other areas of cooperation include the project for the establishment of a United Nations system Extranet, which will allow the sharing of information among United Nations system staff in a secure environment, the on-line directory of senior officials and the consortium for purchasing licences for the electronic versions of commercial information.

8. The table in paragraph 26 of the report lists planned expenditures for the biennium 2000-2001 by project or type of activity. The Advisory Committee points out that, although the table includes funding requirements, there is no indication as to the stage of implementation, expected completion date, objectives or expected output of the projects. Accordingly, the Committee requested additional specific information on each of the individual projects (see annex, sect. II.B) and on the achievements of the Information Systems Coordination Committee (see annex, sect. I).

9. In paragraph 31 of the report, the Secretary-General recommends the continued funding of the United Nations contribution to the Information Systems Coordination Committee for the biennium 2000-2001. **In the light of the review of the role and functions of the Committee currently under way (see para. 5 above), and on the basis of the additional information contained in the annex to the present document, the Advisory Committee recommends approval of the proposal to reinstate funding of the United Nations share of the budget of the Committee for 2000-2001. The Advisory Committee trusts, however, that in the proposed programme budget for the biennium 2002-2003, the Secretary-General will set out clearly the programme of work of the Committee, as well as the expected accomplishments. The Committee expects also to receive concrete information that procedures are in place to ensure effective implementation of the recommendations of the Information Systems Coordination Committee.**

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7), chap. II, para. X.16.

Annex

Additional information concerning the Information Systems Coordination Committee

I. Accomplishments of the Information Systems Coordination Committee

The ISCC is part of the Administrative Committee on Coordination submachinery and annual reports are submitted to the Administrative Committee on Coordination, now through the newly established High-level Committee on Management. The Information Systems Coordination Committee works through task forces led by one of the organizations of the Administrative Committee on Coordination, supported by a small secretariat.

Given the fact that the information and communication technology field has changed enormously since its creation in 1993, the Information Systems Coordination Committee has had to adjust its work programme to reflect new priorities and the pervasiveness of information and communication technology in virtually all work areas. The Committee, like all players in the information and communication technology area, has also had to deal with continually changing technologies, markets, and methodologies.

Nevertheless, the Committee can count a number of accomplishments since 1993, including coordination in the fields of (a) knowledge sharing among peers; (b) simplifying access to information; and (c) harmonization of information and communication technologies throughout the United Nations system of organizations.

A. Knowledge sharing

1. *Issues of common strategic interest.* The Committee facilitates ongoing discussion forums of information and communication technology managers and technical staff. Recent discussions that have led to common approaches and best practices include Internet use policies, privacy protection, telephone technologies, information technology policies, enterprise resource planning systems, and the discussion of year 2000 issues for information systems;

2. *Knowledge sharing for programmatic activities.* The Committee is working together with the Consultative Committee for Operational Questions to develop best practices in knowledge sharing for programmes (i.e. "expert communities of practice"), and with a joint World Intellectual Property Organization/United Nations Conference on Trade and Development/International Telecommunication Union project to develop a clearing house of e-commerce activities.

3. *Collaboration with the Administrative Committee on Coordination.* The Committee developed a common format and design for the web sites for the Administrative Committee on Coordination and its subcommittees. It also works closely with other inter-agency committees, such as the Inter-Agency Meeting on Language Arrangements, Documents and Publications, the Joint Inter-Agency Meeting on Computer-Aided Translation and Terminology and the Joint United Nations Information Committee.

B. Simpler access to information

4. *Common indexing standards.* The ISCC developed a core set of web site and document indexing categories ("meta-data") and a common high-level keyword vocabulary (UNIVOC) based on industry and United Nations standards. The use of these indexing standards provides a common background simplifying retrieval of information across the various web sites and document repositories in the United Nations system.

5. *United Nations system web site locator.* This site (www.unsystem.org) lists all the web sites of United Nations system organizations, simplifying access by the public to their home pages.

6. *Depository library locator.* This site (depolib.unsystem.org) shows the physical location and contact information for all depository libraries around the world for all United Nations system organizations.

7. *Shared library catalogue.* This system (uncaps.unsystem.org), which is now ready for

production, allows a single search to retrieve references (and where available, the electronic full text) from all participating libraries in the United Nations system (currently, 10: United Nations, World Bank/International Monetary Fund, Food and Agriculture Organization of the United Nations, International Civil Aviation Organization, International Fund for Agricultural Development, International Labour Organization, International Maritime Organization, United Nations Educational, Scientific and Cultural Organization, United Nations Population Fund, World Intellectual Property Organization). It is envisaged that there will be 12 by April 2001.

8. *United Nations system Electronic Information Consortium.* The Consortium negotiates joint licences for access to commercial information sources (e.g. 14 products such as Economist Intelligence Unit, Reuters, Oxford Analytica) by staff of the United Nations system organizations and missions. Costs are recharged to the participating organizations. Last year the Consortium purchased information valued at several million dollars, for a total cost of $600,000.

C. ICT harmonization

9. *Safety and security of field staff.* The Committee has developed guidelines for minimum telecommunications equipment and procedures for the safety and security of staff in the field.

10. *Staff mobility.* The Information Systems Coordination Committee and the Consultative Committee on Administrative Questions developed the Participating Agencies Mobility System, which allows staff and dependants from participating organizations to submit their résumés to other United Nations system organizations electronically.

11. *Strategies.* The Committee has issued guidelines for development of information and communication technology strategies and guidelines for migration to electronic document management.

12. *Internet.* The Committee issued several guidelines in 1994 and 1995, including security guidelines.

13. *Library technology.* The Committee has issued a recommended standard technology for library information systems.

14. *Financial/logistic systems.* The Committee has exchanged information on large "enterprise resource planning" projects, in order to develop best practices for implementation of such projects.

15. *Joint purchasing.* The Committee investigated the possibility of an umbrella contract with Microsoft for software. The existing contract with the Airlines Worldwide Telecommunications Information Service (SITA) for telecommunications services was expanded. Other umbrella contracts are under discussion.

16. *Basic technologies.* The Committee has promulgated a few basic technology standards, such as a standard for exchange of contact information and a basic telecommunications standard.

II. Information and Systems Coordination Committee Programme status 2000-2001

A. Background

The Information Systems Coordination Committee developed its present work plan and budget 2000-2001 during 1998 (ACC/1998/ISCC/10.3). Following approval by the Administrative Committee on Coordination, this proposal was included as a fascicle in the programme and budget proposal submitted to the General Assembly[a] An interim work status report for the eighth annual meeting of the Committee was produced in September 2000 (ACC/2000/ISCC/R.3).

The performance-based work plan and budget lists inter-agency work programmes in six areas, with associated costs, objectives and performance indicators. Given the fact that the Information Systems Coordination Committee is a jointly funded entity, its funding is managed through a single budget line.

The information and communication technology area is constantly changing, and the Committee has adjusted its work programme during the current biennium to reflect new priorities and the available funding. For example, more priority is now being given to knowledge sharing activities and to the development of a common entry point ("portal") for web-based

[a] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6), sect. 29.

information at United Nations system organizations. Most of the Committee's programmes are interrelated, working towards the two main goals of developing best practices and coherent approaches to information and communication technology issues and of simplifying access to information.

Impact of the delay in approving funding from the United Nations Secretariat

The Committee's budget consists of three main components: secretariat expenses for the Secretary (D-1) and a General Service information network assistant; operational expenses for maintaining the web sites and discussion forums; and allotments for consultants for the six programme areas.

The Information Systems Coordination Committee is funded by all the organizations of the Administrative Committee on Coordination, through an agreed cost-sharing formula. The United Nations Secretariat portion in 2000-2001 amounts to $466,500 out of a total of $1,328,200 (before recosting), which is approximately 35 per cent.

In consultation with the United Nations Programme Planning and Budget Division, the Committee implemented the reduced allocation resulting from the withholding of United Nations funding by reducing the funding for consultants from approximately $600,000 to approximately $130,000.

The reduction has delayed some of the Committee's programmes, given the fact that they are implemented task forces led by one of the participating organizations of the United Nations system, assisted by consultants. Consultants add value by bringing knowledge of industry standards and practices, as well as coalescing the input from various organizations into proposals for common approaches and, in some cases, developing "proof of concept" pilots. Details of this impact can be found in paragraphs 2.3, 4.4, and 5.4 below. Nevertheless, preparatory work by task forces and the secretariat of the Information Systems Coordination Committee has been undertaken so that the projects can proceed promptly when funds are available.

B. Programme objectives and status

The following section provides a summary of the overall objectives, outputs, work status and resources for the six major programmes in the programme of work of the Information Systems Coordination Committee for the biennium 2000-2001. Details of outputs and performance indicators are available in the work programme and budget 2000-2001 (ACC/1998/ISCC/10.3).

1. Programme for document and archive systems

1.1. *Overall objective*: To advance coordination and common policies in the field of archives and document management. The objective has three major components:

(a) To advance coordination and common policies, with respect to digitization and preservation of information;

(b) To promote harmonization of document management tools;

(c) To provide easy electronic access to stored information.

1.2. *Outputs*. Eight outputs were defined for this programme, including among others a model strategy statement for preservation and digitization of archives, standards and best practices, and reduced costs for printed documents. Performance indicators, such as the number of agencies adopting the standards and best practices, have been defined for each output.

1.3. *Work status*. A survey has been initiated to establish the current situation. Tasks in the document area are being led by the Office of the United Nations High Commissioner for Refugees and, in the archives area, by the International Labour Organization. Detailed project plans are still being developed.

1.4. *Resources*. Funding for consultants was foreseen in the amount of $61,700. To date, no expenditures have been made, pending definition of the detailed project plans by the lead agencies and their task forces.

2. Programme for Internet technologies

2.1. *Overall objective*: To promote the increased use of the Internet for access and dissemination of United Nations system information to States and to civil society. The use of the Intranet within agencies will also be promoted for more efficient

distribution of information internally. These objectives have four major components, namely to:

(a) Secure the Internet-based services of United Nations system organizations;

(b) Examine what further phases should be implemented of the Participating Agencies Mobility System in cooperation with the Consultative Committee on Administrative Questions;

(c) Extend the Extranet to field offices;

(d) Provide relevant information to special groups (non-governmental organizations, missions, etc.).

2.2. *Outputs.* Eleven outputs with performance indicators were defined for this programme, including the number of secure inter-agency networks ("Extranets") in place, best practices for Internet security, and inclusion of field offices in headquarters networks.

2.3. *Work status.* Work on the Extranet project has proceeded, with the United Nations Secretariat taking the lead. Technologies have matured since 1998, and a review is under way of the feasibility of developing a United Nations system thematic access tool that could be used for public access and, using the same technology, for secure access to information for specialized groups using as missions and technical expert groups. Work on the Internet Security Guidelines project has been delayed pending funding, as has work on the Participating Agencies Mobility System. The development of Extranets for special groups is also delayed pending funding.

2.4. *Resources.* Funding of $288,700 was foreseen for this project, mainly for consultants. To date, only approximately $20,000 has been obligated. The further implementation will depend on the release of funding.

3. Programme for library systems and information services

3.1. *Overall objective:* To promote standards and best practices in libraries throughout the United Nations system, including at the field level and at small headquarters locations for a scheme of digital libraries. This objective has three major components, namely,

(a) Develop a unified approach to digital library initiatives throughout the United Nations system, including at the field level and for small headquarters libraries;

(b) Identify additional electronic information resources that can be acquired through joint contracts;

(c) Put the joint library catalogue search system (UNCAPS) into production and expand it to access full text where available.

3.2. *Outputs.* Ten outputs with performance indicators were defined for this programme, including a scheme of digital libraries, additional joint contracts for information, the UNCAPS system in production, and links to electronic sales systems.

3.3. *Work status.* A digital libraries task force has been created and a common vision statement adopted. The development of UNCAPS has been completed. Negotiations have been completed for the World Bank to become the lead agency for the Depository Libraries Locator system and eventually for UNCAPS.

3.4. *Resources.* Funding of $55,600 was foreseen for this programme, mainly for consultants. Approximately $50,000 has been expended for this programme (e.g. $29,000 as of September 2000; fourth quarter invoices have not yet been processed).

4. Programme for strategies, resources and management

4.1. *Overall objective:* To examine aspects of information technology strategy and planning including non-staff resources, including issues related to human resources in the information technology field (in conjunction with the Consultative Committee on Administrative Questions), the use of Enterprise Resource Management, Management Information Systems and Enterprise Information Systems and "knowledge management". This objective has four major components, namely, to:

(a) Promote harmonization of human resources, administrative and financial management tools;

(b) Take the leadership in designing information management strategies for the medium and longer term;

(c) Provide for examination of certain priority areas in information management and information technology, including telecommunications, which warrant strategic plans for common services which are cost-effective and efficient;

(d) Increase operational efficiency in each United Nations organization.

4.2. *Outputs.* Eight outputs and corresponding performance indicators were defined for this programme, including system-wide information management strategies, a data dictionary for improved exchange of data and integrated databases based on common requirements.

4.3. *Work status.* Extensive electronic discussions have been held in several of these areas. In September 2000, the Information Systems Coordination Committee held a major session on exchange of experience on implementing large system projects (such as SAP, Oracle, PeopleSoft) and exchanged best practices for such projects. Common procurement of Microsoft software was investigated.

4.4. *Resources.* Funding of $114,000 was foreseen for this programme. Owing to funding restrictions, the Information Systems Coordination Committee has been unable to use consultants to assist in defining common approaches and best practices for the above-mentioned objectives. However, discussions have proceeded electronically issue by issue, so that the Committee can proceed with alacrity, once funding is available. The use of outside consultants in the areas of strategies and management practices is invaluable for adding industry best practices and developing the results of the various discussions into common positions and proposals.

5. Programme for telecommunications

5.1. *Overall objective:* To coordinate and harmonize the telecommunication networks operated by the United Nations organizations, working to reduce overall United Nations telecommunication expenditures while maximizing the utility of the global United Nations telecommunication capability of supporting, as required, data, voice, and multimedia content. This objective has five major components, namely, to:

(a) Provide telecommunications for security of field staff;

(b) Introduce "Voice over IP" services;

(c) Introduce additional efficiencies in the use of videoconferencing;

(d) Establish common contracts and sharing of telecommunications facilities;

(e) Promote robust and economical connectivity between headquarters offices, country and field offices.

5.2. *Outputs.* Fifteen outputs and corresponding performance indicators were established for this programme, including, for example, revised standards for telecommunications in the field, common contracts, best practices for data and voice via the Internet and satellite services, and agreements on shared facilities.

5.3. *Work status.* Minimum standards for telecommunications to improve the security of staff in the field have been developed. One joint contract has been extended and two others are under examination. "Voice over IP" services have been tested. Other projects, such as a repository of videoconference facility details and scheduling tools, a mechanism for sharing telephone equipment details and plans, and sharing of field office telecommunications facilities, have not been started, owing to lack of funding.

5.4. *Resources.* Funding of $98,300 was foreseen for this programme, mainly for consultants. Of this amount, approximately $20,000 has been expended on the "minimum telecommunications standards for staff security" project, which had priority. The rest of the

programme has not been able to proceed, because of lack of funding.

6. Programme for inter-agency cooperation

6.1. *Overall objective:* To improve knowledge sharing among the organizations of the United Nations system.

6.2. *Outputs.* Three major outputs were defined for this objective: the establishment of web sites for organizations of the Administrative Committee on Coordination, the establishment of knowledge-sharing facilities for information and communication technology and for Administrative Committee on Coordination focal points.

6.3. *Work status.* Web sites for submachinery bodies of the Administrative Committee on Coordination have been established and staff trained in their content maintenance. Discussion forums have been created for a number of joint bodies, with over 700 participants registered.

6.4. *Resources.* Funding of $190,000 was foreseen for this programme, mainly for operational costs of maintaining web sites and information systems. This funding was not foreseen for consultants and was not reduced. Of this amount approximately $90,000 has been expended ($62,700 as of September 2000 — fourth quarter invoices are still outstanding). This programme is approximately on schedule, with about half the foreseen funding having been expended in the first year of the biennium.

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Capital master plan

Fifth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General entitled "Capital master plan" (A/55/117). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

2. **The Advisory Committee welcomes the report of the Secretary-General on the capital master plan and his efforts to bring the matter to the attention of Member States.** The Committee points out that it has commented extensively in the past on the need for proper maintenance of United Nations assets. For example, the Advisory Committee's comments on this matter were reflected most recently in paragraph 23 of its first report (A/55/7).

3. According to the Secretary-General, the structures of the United Nations Headquarters complex in New York, which were largely built during the period 1949-1952, are ageing and now require major repair and refurbishing; they are extremely energy-inefficient and no longer conform to current safety, fire and building codes and the complex is deficient in terms of meeting modern-day security requirements. The Secretary-General's report (A/55/117) reviews the current condition of the buildings, the implications of action and inaction, as well as various financing options and presents a proposed course of action.

4. In paragraphs 6 to 10 of his report (A/55/117), the Secretary-General discusses the options through which the serious deficiencies of the Headquarters buildings could be addressed; these options include: a reactive approach under which the repair work would be performed over the next 25 years as and when building and system failures occurred; a planned and managed renovation programme of a three-year, six-year or 12-year duration; and complete demolition and reconstruction of the Headquarters buildings. The Secretary-General's conclusion is that the most practical and desirable approach is the six-year option, at an estimated cost of $964 million, under which 33 per cent of the Headquarters facility would be under

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construction at the same time and would require the availability of swing space at an estimated cost of between $62 and $91 million; moreover, this option would result in substantial energy cost savings of some $164 million over the 25-year period in comparison with the reactive approach.

5. Upon enquiry, the Advisory Committee was informed that no independent analysis had been undertaken to ensure the reliability of the cost estimates of $964 million for the proposed six-year capital master plan. These estimates are based, as indicated in footnote 13 to paragraph 69 of the report (A/55/117), on certain assumptions, including "a 1 January 2003 construction commencement date, escalation of construction project costs at 3.5 per cent per annum during each construction year, a design and planning phase contingency of 20 per cent of the construction project cost, professional costs (e.g. architectural, engineering, quality control, project management) of 20 per cent of the construction project cost and a standard construction industry contingency of 5 per cent of construction project cost to cover unanticipated work discovered during actual construction". **In the absence of specific details, the Committee was unable to ascertain that these assumptions are a fair basis on which to assure that the Organization is protected against cost overruns and it requests, therefore, that the Secretary-General work out the required measures and describe them in his next report on the capital master plan.**

6. The Advisory Committee notes that one of the assumptions for the capital master plan is that the Headquarters complex should be energy-efficient, free of hazardous materials and compliant with host city building, fire and safety codes, and should provide full accessibility to all persons (A/55/117, para. 2 (b)). **The Committee expects that there will be close coordination with local authorities with regard to health and safety requirements at all stages of the capital master plan.**

7. The Advisory Committee notes from paragraphs 44 to 50 of the report that the capital master plan provides not only for the comprehensive programme of refurbishing the Headquarters buildings but also for certain improvements to the Headquarters facilities and the addition of more meeting spaces, consolidation of technological support spaces and the enhancement of public areas. **In this connection, the Committee cautions against presenting plans for improvements and expansions that would be unrealistic or overly ambitious.**

8. The Advisory Committee points out that at this stage it is necessary only to confirm the Secretary-General's statement that a need exists to address the problems outlined with regard to the Headquarters complex. The next step is to prepare a comprehensive design scheme, together with detailed cost estimates. The Secretary-General indicates that to do so would cost approximately $8 million. **The Advisory Committee, consistent with the procedure it initially set out in document A/36/643, recommends that the Secretary-General be authorized to proceed with the preparation of this comprehensive design plan and cost analysis and that an additional $8 million be appropriated under section 31 of the programme budget for the biennium 2000-2001.**

9. The Advisory Committee notes that the Secretary-General intends to submit a separate report on a related proposal to expand the United Nations visitors' area beyond the existing buildings funded through private donations. **The Committee will submit its comments and recommendations on this matter, as appropriate.**

10. In paragraphs 13 to 17 of his report (A/55/117), the Secretary-General reviews the possible ways of financing a six-year capital master plan, including progressive cash payments, deferred payments through interest-free loans and/or outside commercial borrowing, and voluntary contributions, in cash or in kind, from public and private sources. The Advisory Committee notes from paragraph 18 of the report that the Secretary-General intends to establish a five-member expert financial advisory group composed of financial experts and eminent persons to provide the detailed and comprehensive advice on the financing options.

11. The Advisory Committee recalls the very prominent role that the host Government, the City and the State of New York and private donors had played for the successful development of the United Nations Headquarters complex in New York. As stated in paragraph 21 of the report, "an interest-free loan of $65 million (equivalent to $449.2 million in year 2000 dollars) was provided in 1948 by the host Government for the construction and furnishing of the Headquarters buildings. By its resolution 242 (III) of 18 November 1948, the General Assembly approved the loan and the repayment schedule. The loan was repaid in full over a 31-year period, beginning in 1951 and ending in 1982." The Advisory Committee was informed that negotiations were being conducted with the host Government, the local and state authorities on their participation in the financing of the capital master plan. The Committee requested information on the participation of host Governments and local authorities in maintaining the United Nations assets in their respective countries. However, since the information was not provided on time, the Advisory Committee requests that it should be provided to the Fifth Committee. **The General Assembly may wish to encourage the active participation of the host Government, as well as state and local authorities in the current project of comprehensive renovation of the United Nations Headquarters complex in New York, including the funding of the project.**

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First performance report on the programme budget for the biennium 2000-2001

Sixth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the first performance report of the Secretary-General on the programme budget for the biennium 2000-2001 (A/55/645 and Corr.1). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. In accordance with the recommendations of the Advisory Committee, endorsed by the General Assembly at its thirty-second session, the performance report identifies adjustments required owing to variations in the rates of inflation and exchange and in standards assumed in the calculation of the initial appropriations. The performance report also takes into account the additional mandates that the General Assembly and Security Council have approved after the appropriation of the programme budget, unforeseen and extraordinary items that could not be deferred to the second year of the biennium and decisions of policy-making organs that, in the view of the Secretary-General, are best dealt with in the context of the first performance report.

3. The current estimates of revised requirements under the expenditure sections of the programme budget for the biennium 2000-2001[1] amount to $2,495,196,300, as indicated in paragraph 5 of the performance report. These provide for a reduction of $40,492,900 compared with the appropriation of $2,535,689,200 approved by the General Assembly in its resolution 54/250 A of 23 December 1999.

4. As can be seen from the table in paragraph 5 of the report, the reduction of $40,492,900 in expenditures reflects the effect of the anticipated reduction of $66,265,200 resulting from favourable changes in exchange rates. This reduction is somewhat offset by additional requirements of $10,987,900 related to commitments authorized under the terms of General Assembly resolution 54/252 of 23 December 1999 concerning unforeseen and extraordinary expenses; $3,633,700 resulting from decisions of policy-making organs after the adoption of the programme budget; $1,913,200 owing to changes in inflation assumptions; and $8,623,300 attributable to adjustments to standard salary costs.

5. In paragraphs 8 to 10 of the performance report, information is provided concerning the additional requirements of $10,987,900 resulting from unforeseen and extraordinary expenses that fall under the terms of General Assembly resolution 54/252. Of the total, commitments were entered into in the following amounts: (a) $7,233,400 certified by the Secretary-General as relating to the maintenance of peace and security; (b) $3,396,500 concurred in by the Advisory

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Committee in respect of decisions by the Security Council; (c) $345,000 certified by the International Court of Justice as relating to unforeseen expenses in respect of the Court; and (d) $13,000 for inter-organizational security measures.

6. An explanation of the additional requirements of $3,633,700 related to decisions of policy-making organs is given in paragraphs 11 to 17 of the report. These include amounts related to the implementation of General Assembly resolution 54/254 of 15 March 2000 concerning the Millennium Summit ($1,643,000); Assembly resolution 54/283 of 5 September 2000 in which the Assembly decided to convene a special session on the human immunodeficiency virus/acquired immunodeficiency syndrome ($1,628,900); Assembly resolution 54/265 of 15 June 2000 on strengthening the capacity of the Non-Governmental Organizations Section ($124,900); and Assembly resolution 53/242 of 28 July 1999 concerning, inter alia, the global environmental forum/special session of the Governing Council of the United Nations Environment Programme ($236,900). In connection with the latter, the Advisory Committee notes the statement in paragraph 17 of the report that, owing to an oversight, no statement of programme budget implications was submitted prior to the adoption of resolution 53/242. **While the Committee recognizes that this represents an anomaly rather than a trend, it expects that care will be taken to avoid such a situation in future.**

7. The Advisory Committee was informed of the potential for additional requirements of $35,477,600 relating to revised estimates of the Secretary-General and statements of programme budget implications to be considered by the General Assembly at its current session (see annex I below). These include revised estimates relating to the Office of the United Nations Security Coordinator, the International Court of Justice, implementation of the report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809), and resolutions of the Economic and Social Council, and statements of programme budget implications of draft resolutions relating to the proposed commission of inquiry on Palestine, the International Research and Training Institute for the Advancement of Women, the United Nations Institute for Research and Training, and the Third United Nations Conference on the Least Developed Countries, as well as mandates of the Assembly and the Security Council for special political missions (see para. 16 below). Under the current procedures, the financing of the above additional requirements will be dealt with separately by the General Assembly before the end of 2000. The Committee wishes to point out, however, that in its consideration of some of the above issues, it has recommended approval of significantly lower levels of additional resources. If the Committee's recommendations are approved by the General Assembly, the figure of $35.5 million may be reduced considerably.

8. In addition, the Advisory Committee has recommended inclusion of an additional $8 million under section 31, Construction, alteration, improvement and major maintenance, of the programme budget for the biennium 2000-2001 for implementation of the capital master plan (see A/55/675 and Corr.1).

9. Paragraphs 18 to 20 of the performance report provide information on the reduction of $66,250,000 in requirements resulting from favourable exchange rate fluctuations. As indicated in paragraph 18 of the report, the reduction reflects the application to 2000 of the realized exchange rate from January to November 2000, and the application of the November rate to December 2000 and all of 2001. The Advisory Committee notes that the methodology used by the Secretary-General in recosting the impact of exchange rate fluctuations is in conformity with the recommendation of the Committee that the Secretary-General should use such operational rates of exchange in its recosting exercises as would allow for the lowest estimates (A/51/7/Add.6, para. 5). Schedule 3 of the report provides detailed information on the operational rates of exchange in 2000 for all main duty stations. The Committee also notes that, as stated in paragraph 18 of the report, adjustments resulting from actual experience in 2000 will be reflected in the second performance report.

10. The Advisory Committee was provided with a chart tracking the movement of the dollar against the Swiss franc from January 1996 to July 2000 (see annex II below).

11. As indicated in paragraph 21 of the report, the application of revised inflation rates results in an increase of $1,913,200 in requirements. The revised rates are based on promulgated post adjustment multipliers and the latest information available on consumer price indices. The Advisory Committee

notes, as indicated in paragraph 22, that the most significant change in non-post objects of expenditure relates to high inflationary costs associated with, among other things, the higher price of fuel worldwide. Schedules 1, 2 and 4 of the report contain detailed information on the revised inflation rates for all main duty stations.

12. The increased requirements of $8,623,300 attributable to adjustments to standard salary costs are detailed in annex I.A to the report. These requirements reflect the combined effect of a number of factors, some of which are described in paragraphs 24 to 32 of the report.

13. With regard to vacancy rates, the Advisory Committee notes from paragraph 28 of the report that the vacancy rate for staff in the Professional category and above has slightly exceeded 8 per cent. In this connection, the Committee recalls that the vacancy rate approved by the General Assembly in its resolution 54/249 of 23 December 1999 was 6.5 per cent for Professional staff. As indicated in paragraph 29, the vacancy rate varies considerably between budget sections and duty stations, with the highest relating to budget section 16, Economic and social development in Africa, section 25, Humanitarian assistance, and section 28, Internal oversight. The Committee takes note of the steps taken by the Economic Commission for Africa to address the vacancy situation, as described in paragraphs 29 and 30 of the report. The Committee notes with concern that this situation has been ongoing for some time, and expresses the hope that efforts in this regard will be sustained until the situation is ameliorated (see also A/55/643, para. 16). Upon request, the Committee was provided with additional information concerning vacancy rates as at June 2000 (see annex III below). The Committee requested but did not receive information on the recruitment status of new posts approved by the General Assembly for the biennium 2000-2001. That information should be provided to the Fifth Committee. **Moreover, on the basis of the information given to the Committee, it requests that the standard for reporting on the vacancy situation be harmonized so that a consistent methodology is applied.**

14. In paragraphs 34 to 43, a number of specific issues are discussed relating to resolutions of the General Assembly or matters raised in accordance with procedures previously approved by the Assembly. Among them are: additional requirements of $15,200 under section 11B, International Trade Centre UNCTAD/WTO, for the upward reclassification of one P-2 post and two P-3 posts; additional requirements of $61,600 under section 17, Economic and social development in Asia and the Pacific, for the reclassification of a General Service post to the P-2 level;[2] information on the redeployment of funds within section 26, Public information; and requirements of $517,600 ($260,000 for 2000 and $257,600 for 2001) under section 29, Jointly financed administrative activities, to fund the United Nations contribution to the International Systems Coordination Committee.

15. The Advisory Committee notes that a total requirement of $17,069,400 for 2001 is indicated in paragraph 44 and annex III to the report in connection with actions taken by the Security Council regarding good offices, peacemaking and preventive diplomacy missions on the basis of requests from Governments and/or recommendations of the Secretary-General. The requirements would be charged against the unallocated balance of $24,312,600 of the provision for special political missions of $90,387,200 under section 3, Political affairs, of the programme budget for the biennium 2000-2001, leaving a balance of $7,243,200 (see also A/C.5/55/27, para. 11).

16. The Advisory Committee was provided with additional information concerning preliminary estimated additional requirements resulting from General Assembly and Security Council mandates for special political missions currently under consideration (see annex IV below). The Committee notes from the information provided that the estimated additional requirements for special political missions amount to approximately $22.1 million over the provision of $90,387,200 in the initial appropriation, for a total of approximately $112.5 million. The Committee points out that, in its report on the budget outline for the biennium 2000-2001, requirements related to special political missions were estimated at $112.6 million (A/53/718 and Corr.1, para. 4).

17. Paragraphs 46 to 48 of the report deal with revised requirements under income sections of the programme budget for the biennium 2000-2001. As can be seen, an increase of $13.2 million under income section 1, Income from staff assessment, and an increase of $5.5 million under income section 2, General income, are offset in part by a net decrease of

$448,500 under income section 3, Services to the public, resulting mainly from exchange rate factors.

18. The Advisory Committee was informed that the dollar had weakened against a number of currencies, resulting in a lower operational rate of exchange for the month of December 2000. The Committee was also informed that, as the performance report had been prepared on the basis of the rate for November, a recosting was being prepared using the December rate. The recosting, which was described in an addendum to the report of the Secretary-General subsequent to the meetings of the Committee, indicates revised estimated requirements of $2,501,047,000 under the expenditure sections (see A/55/645/Add.1, para. 3). That amount represents a reduction of $34,642,200 as compared with the initial appropriation of $2,535,689,200. Revised requirements under the income sections amount to $380,395,900.

19. **Accordingly, subject to its observations in paragraphs 7 and 8 above, the Advisory Committee recommends approval of the revised requirements of the Secretary-General, namely, $2,501,047,000 under the expenditure sections and $380,395,900 under the income sections, resulting in net revised requirements of $2,120,651,100, an amount which is $53,739,200 less than the initial appropriation**. The Committee points out that these revised requirements will be adjusted to take into account the decisions of the General Assembly on the additional requirements referred to in paragraphs 7 and 8 above.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1).

[2] The Advisory Committee notes that the action taken by the Secretary-General to reclassify this post is in accordance with the procedure recommended by the Committee and approved by the General Assembly in its resolution 50/214 of 23 December 1995.

Annex I

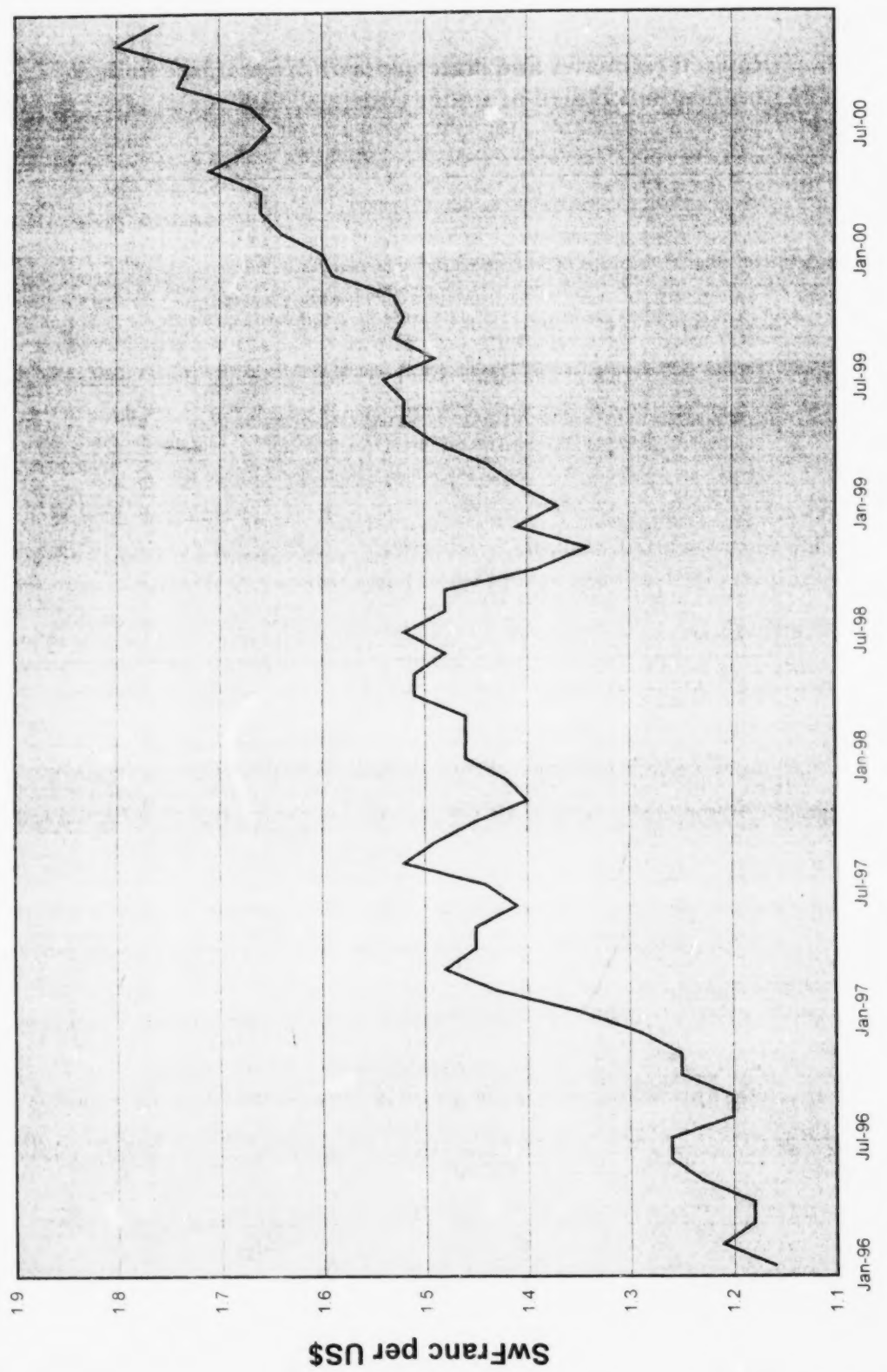
Revised estimates and statements of programme budget implications issued or under consideration

(United States dollars)

Revised estimates, United Nations Security Coordinator (A/55/494)	3 083.7
Revised estimates under section 7, International Court of Justice (A/C.5/55/21)	737.3
Revised estimates, report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809, A/55/502, A/55/507 and Add.1)	7 527.3
Revised estimates, Economic and Social Council (A/C.5/55/25 and Corr.1 and Add.1)	114.8
Programme budget implications, Commission of inquiry on Palestine (A/C.5/55/25/Add.1)	741.6
Programme budget implications, United Nations International Research and Training Institute for the Advancement of Women (A/C.5/55/26)	800.0
Special political missions in excess of $90 million (various reports issued and to be issued)	22 111.9
Programme budget implications, United Nations Institute for Training and Research rental (A/C.2/55/L.49)	113.0
Programme budget implications, Third United Nations Conference on the Least Developed Countries (A/C.2/55/L.50)	248.0
Total	**35 477.6**

Annex II

Movement of the dollar against the Swiss franc



Annex III

Vacancy statistics of posts authorized under the regular budget

(as at June 2000)

Budget section	Professional			General Service			Total		
	Authorized	*Vacant*	*Rate*	*Authorized*	*Vacant*	*Rate*	*Authorized*	*Vacant*	*Rate*
1. Overall policy-making, direction and coordination	60	4	6.7	75	1	1.3	135	5	3.7
2. General Assembly affairs and conference services	910	15	1.6	955	3	0.3	1 865	18	1.0
3. Political affairs	129	15	11.6	114	6	5.3	243	21	8.6
4. Disarmament	30	1	3.3	18	0	0.0	48	1	2.1
5. Peacekeeping operations	43	7	16.3	311	12	3.9	354	19	5.4
6. Peaceful uses of outer space	13	1	7.7	5	0	0.0	18	1	5.6
7. International Court of Justice	26	1	3.8	35	0	0.0	61	1	1.6
8. Legal affairs	81	9	11.1	63	1	1.6	144	10	6.9
9. Economic and social affairs	287	27	9.4	230	5	2.2	517	32	6.2
10. Africa: New Agenda for Development	14	1	7.1	9	1	11.1	23	2	8.7
11. Trade and development	231	25	10.8	170	7	4.1	401	32	8.0
12. Environment	22	0	0.0	17	1	5.9	39	1	2.6
13. Human settlements	42	1	2.4	24	0	0.0	66	1	1.5
14. Crime prevention and criminal justice	19	0	0.0	5	0	0.0	24	0	0.0
15. International drug control	47	0	0.0	24	0	0.0	71	0	0.0
16. Economic and social development in Africa	221	72	32.6	349	54	15.5	570	126	22.1
17. Economic and social development in Asia and the Pacific	173	17	9.8	295	19	6.4	468	36	7.7
18. Economic development in Europe	115	5	4.3	81	1	1.2	196	6	3.1
19. Economic and social development in Latin America and the Caribbean	181	1	0.6	310	5	1.6	491	6	1.2
20. Economic and social development in Western Asia	103	14	13.6	163	5	3.1	266	19	7.1
22. Human rights	96	9	9.4	52	1	1.9	148	10	6.8
23. Protection of and assistance to refugees	89	7	7.9	131	3	2.3	220	10	4.5
24. Palestine refugees	87	14	16.1	11	0	0.0	98	14	14.3
25. Humanitarian assistance	37	6	16.2	17	0	0.0	54	6	11.1
26. Public information	265	12	4.5	470	10	2.1	735	22	3.0
27. Management and central support services	364	36	9.9	1 220	4	0.3	1 584	40	2.5

Budget section	Professional			General Service			Total		
	Authorized	*Vacant*	*Rate*	*Authorized*	*Vacant*	*Rate*	*Authorized*	*Vacant*	*Rate*
28. Internal oversight	59	9	15.3	28	1	3.6	87	10	11.5
Subtotal	**3 744**	**309**	**8.3**	**5 182**	**140**	**2.7**	**8 926**	**449**	**5.0**
Income section 3									
Services to the public	23	4	17.4	109	6	5.5	132	10	7.6
Subtotal	**23**	**4**	**17.4**	**109**	**6**	**5.5**	**132**	**10**	**7.6**
Grand total	**3 767**	**313**	**8.3**	**5 291**	**146**	**2.8**	**9 058**	**459**	**5.1**

Annex IV

Special political mission requirements in excess of $90 million

(in United States dollars)

General Assembly mandates	
United Nations Verification Mission in Guatemala	8 992.1[a]
Central American peace process	191.8
United Nations Special Mission to Afghanistan	6 315.6
Subtotal	**15 499.5**
Security Council mandates	
United Nations Assistance to the Facilitator of the Burundi Peace Process	60.6
United Nations Office in Burundi	2 851.5
United Nations Political Office in Bougainville	1 210.6
Adviser of the Secretary-General for Special Assignments in Africa	741.9
Special Envoys of the Secretary-General for the Balkans	1 067.9
Special Adviser of the Secretary-General on Cyprus	679.8
Subtotal	**6 612.3**
Total	**22 111.9**

[a] Residual uncommitted balance of the original $90 million provision for special political missions.